



MEMBER RESOLUTION
2024-03



Member Resolution 2024-03
Amendment to the Semiahmoo Resort Association’s Covenants, Conditions and
Restrictions

Resolution Proposed by: Steve Haines

Article 8.10 – Duty of Due Process

WHEREAS, The Declaration of Covenants, Conditions and Restrictions (“Declaration” or “CC&Rs”) for the Semiahmoo Resort Community ARTICLE XII Section 12.01 defines the method by which the Declaration may be amended, Stephen Haines as a member of the Semiahmoo Resort Association (SRA) offers this proposed amendment to the SRA CC&Rs for consideration and voting at the Annual General Meeting of the SRA; and

WHEREAS, The Board of Directors is granted broad power to oversee the management of the Semiahmoo Resort Association (SRA); and

WHEREAS, those powers include appointment of employees of the SRA and volunteer members of the SRA to positions on the committees authorized by the Board and the CC&Rs the appointment of Directors to fill absences on the Board of Directors; and

WHEREAS, good practice and fair and equitable treatment of persons who serve the SRA should include the application of principles of due process to the act of removing appointees of the Board,

THEREFORE, BE IT RESOLVED THAT the following Amendments to ARTICLE 8 ADMINISTRATION and to ARTICLE 10.02 (for the purpose of bringing 10.02 into compliance with this proposed Article 8.10) of the Declaration of Covenants, Conditions and Restrictions for the Semiahmoo Resort Community be placed before the Association members for voting at an appropriately called meeting of the Association, no later than the 2024 Annual General Meeting of the Association.

THEREFORE, BE IT FURTHER RESOLVED THAT upon a positive vote of the votes cast as described in Article 12 Section 1 of the CC&Rs, Article 8 will be amended as follows with an effective date one day after the 2024 Annual General Meeting of the SRA:

Proposed Amendment

Article 8.10: Due Process for Removal of Appointees of the Board of Directors

- a) The purpose of this amendment is to establish due process procedures for the removal of any member appointed by the Board of Directors to ensure fairness, transparency, and accountability.
- b) A member appointed by the Board of Directors may be removed for the following reasons:
 1. Violation of the HOA covenants, bylaws, or rules.
 2. Failure to perform duties as outlined in the appointment agreement.
 3. Conduct detrimental to the interests of the HOA.
- c) In the case of alleged illegal or dangerous actions by the appointee, the Board of Directors may immediately suspend the appointed member for a period of up to 14 days to allow for a factual investigation.
 1. The suspension must be communicated in writing to the appointed member, including the reasons for the suspension and the start date.
 2. During the suspension period, the Board must conduct a thorough investigation into the situation.

3. At the end of the 14-day suspension period a hearing must be scheduled and the due process procedures outlined in Sections 4 and 5 must be followed or the appointed member must be reinstated.
- d) Procedure
 - a) Notice of Intent to Remove
 - i. The Board of Directors must provide written notice to the appointed member at least 30 days prior to the proposed removal date.
 - ii. The notice must include:
 - a) The specific reasons for the proposed removal.
 - b) The date, time, and location of the hearing.
 - c) The member's right to present evidence and call witnesses.
 - b. Hearing
 - i. A hearing must be held before the Board of Directors within 30 days of the notice.
 - ii. The appointed member has the right to:
 - a) Be present at the hearing.
 - b) Be represented by counsel.
 - c) Present evidence and call witnesses.
 - d) Cross-examine any witnesses presented by the Board.
 - c. Decision
 - i. The Board of Directors must render a decision within 10 days of the hearing.
 - ii. The decision must be in writing and include:
 - a) The findings of fact.
 - b) The conclusions based on the findings.
 - c) The final decision regarding the removal.
 - d. Appeal
 - i. The appointed member has the right to appeal the decision to the general membership of the HOA.
 - ii. The appeal must be submitted in writing within 15 days of the Board's decision.
 - iii. A special meeting of the general membership must be called within 30 days of the appeal submission.
 - iv. The general membership will vote on the appeal, and a majority vote is required to overturn the Board's decision.

Article 10.02 will be amended as follows in order to make it compliant with 8.10:

(amendment language shown in red)

10.02 Architectural Standards Committee. The Board shall establish the ASC, which shall consist of up to ten (10) (but not less than three (3)) members, not including the chairperson. All the ASC members, with the exception of the chairperson, shall be Owners and may or may not be members of the Board. The regular terms of office for each member shall be two years with staggered terms, such that each year or six-month period the Board shall appoint no more than three members (or two members if the ASC consists of four or fewer members) and no fewer than two members (or one member if the ASC consists of three members). Each year of a member's term shall coincide with the fiscal year of the Association except for members who have been appointed to the ASC during the fiscal year. There shall be no limit to the number of terms a member can serve, provided that any member appointed by the Board may be

removed ~~with or without cause by the Board at any time by written notice to such~~ according to the due process procedures outlined in Article 8.10, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. The Board shall appoint the chairperson of the ASC on an annual basis, and such person, or in his or her absence, the vice chairperson (as designated by the chairperson on an as needed basis), shall be the presiding officer at any meeting. There shall be no limit on the chairperson's term and the chairperson does not have to be an Owner.

Clean copy of amended section 10.02

10.02 Architectural Standards Committee. The Board shall establish the ASC, which shall consist of up to ten (10) (but not less than three (3)) members, not including the chairperson. All the ASC members, with the exception of the chairperson, shall be Owners and may or may not be members of the Board. The regular terms of office for each member shall be two years with staggered terms, such that each year or six-month period the Board shall appoint no more than three members (or two members if the ASC consists of four or fewer members) and no fewer than two members (or one member if the ASC consists of three members). Each year of a member's term shall coincide with the fiscal year of the Association except for members who have been appointed to the ASC during the fiscal year. There shall be no limit to the number of terms a member can serve, provided that any member appointed by the Board may be removed according to the due process procedure outlined in Article 8.10, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. The Board shall appoint the chairperson of the ASC on an annual basis, and such person, or in his or her absence, the vice chairperson (as designated by the chairperson on an as needed basis), shall be the presiding officer at any meeting. There shall be no limit on the chairperson's term and the chairperson does not have to be an Owner.

Economic Impact Statement

This amendment will have no immediate economic impact. It requires only that existing personnel and resources follow due process procedures. The long term positive economic impact of this amendment is to protect the SRA from the risk of expensive litigation in the event of inappropriate summary removals, particularly those done without cause.